



[4830-01-p]

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

Low Income Taxpayer Clinic Grant Program; Availability of 2018 Grant Application Package

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice.

SUMMARY: This document contains a notice that the IRS has made available the *2018 Grant Application Package and Guidelines* (Publication 3319) for organizations interested in applying for a Low-Income Taxpayer Clinic (LITC) matching grant for the 2018 grant year, which runs from January 1, 2018, through December 31, 2018. The application period runs May 1, 2017, through June 20, 2017.

DATES: The IRS is authorized to award a multi-year grant not to exceed three years. For an organization not currently receiving a grant for 2017, or an organization whose multi-year grant ends in 2017, the organization must submit the application electronically at [www.grants.gov](http://www.grants.gov). For an organization currently receiving a grant for 2017 which is requesting funding for the second or third year of a multi-year grant, the organization must submit the funding request electronically at [www.grantsolutions.gov](http://www.grantsolutions.gov). All organizations must use the funding number of TREAS-GRANTS-052018-001, and applications and funding requests for the 2018 grant year must be filed by June 20, 2017. The Catalog of Federal Domestic Assistance program number is 21.008. See [www.cfda.gov](http://www.cfda.gov).

ADDRESSES: The LITC Program Office is located at: Internal Revenue Service, Taxpayer Advocate Service, LITC Grant Program Administration Office, TA:LITC, 1111 Constitution Avenue, NW, Room 1034, Washington, D.C. 20224. Copies of the *2018 Grant Application Package and Guidelines*, IRS Publication 3319 (Rev. 4-2017), can be downloaded from the IRS internet site at [www.irs.gov/advocate](http://www.irs.gov/advocate) or ordered by calling the

IRS Distribution Center toll-free at 1-800-829-3676.

FOR FURTHER INFORMATION CONTACT: The LITC Program Office at (202) 317-4700 (not a toll-free number) or by e-mail at [LITCProgramOffice@irs.gov](mailto:LITCProgramOffice@irs.gov).

SUPPLEMENTARY INFORMATION: The IRS will award a total of up to \$6,000,000 (unless otherwise provided by specific Congressional appropriation) to qualifying organizations, subject to the limitations of Internal Revenue Code section 7526. At the time of publication of this notice, Congress had not yet passed legislation providing full-year funding levels for FY 2017. But for fiscal year 2016, Congress appropriated a total of \$12,000,000 in federal funds for LITC grants. See Public Law No. 114-113. A qualifying organization may receive a matching grant of up to \$100,000 per year for up to a three-year project period.

Qualifying organizations that provide representation to low income taxpayers involved in a tax controversy with the IRS and educate individuals for whom English is a second language (ESL) about their rights and responsibilities under the Internal Revenue Code are eligible for a grant. An LITC must provide services for free or for no more than a nominal fee.

Examples of qualifying organizations include: (1) a clinical program at an accredited law, business or accounting school whose students represent low income taxpayers in tax controversies with the IRS, and (2) an organization exempt from tax under IRC § 501(a) whose employees and volunteers represent low income taxpayers in tax controversies with the IRS.

In determining whether to award a grant, the IRS will consider a variety of factors, including: (1) the number of taxpayers who will be assisted by the organization, including the number of ESL taxpayers in that geographic area; (2) the existence of other LITCs assisting the same population of low income and ESL taxpayers; (3) the quality of the program offered by the organization, including the qualifications of its administrators and

qualified representatives, and its record, if any, in providing representation services to low income taxpayers; (4) the quality of the application, including the reasonableness of the proposed budget; (5) the organization's compliance with all federal tax obligations (filing and payment); (6) the organization's compliance with all federal nontax obligations (filing and payment); (7) whether debarment or suspension (31 CFR Part 19) applies, or whether the organization is otherwise excluded from or ineligible for a federal award; and (8) alternative funding sources available to the organization, including amounts received from other grants and contributions, and the endowment and resources of the institution sponsoring the organization.

## **Background**

Section 7526 of the Internal Revenue Code authorizes the IRS, subject to the availability of appropriated funds, to award qualified organizations matching grants of up to \$100,000 per year for the development, expansion, or continuation of low income taxpayer clinics. A qualified organization is one that represents low income taxpayers in controversies with the IRS and informs individuals for whom English is a second language of their taxpayer rights and responsibilities, and does not charge more than a nominal fee for its services (except for reimbursement of actual costs incurred).

A clinic will be treated as representing low income taxpayers in controversies with the IRS if at least 90 percent of the taxpayers represented by the clinic have incomes that do not exceed 250 percent of the federal poverty level. In addition, the amount in controversy for the tax year to which the controversy relates generally cannot exceed the amount specified in Internal Revenue Code section 7463 (currently \$50,000) for eligibility for special small tax case procedures in the United States Tax Court. The IRS may award grants to qualified organizations to fund one-year, two-year, or three-year project periods. Grant funds may be awarded for start-up expenditures incurred by new clinics during the

grant year.

### **Mission Statement**

Low Income Taxpayer Clinics ensure the fairness and integrity of the tax system for taxpayers who are low income or speak English as a second language by providing *pro bona* representation on their behalf in tax disputes with the IRS, by educating them about their rights and responsibilities as taxpayers, and by identifying and advocating for issues that impact low income taxpayers.

### **Selection Consideration**

Applications that pass the eligibility screening process will undergo a two-tier evaluation process. Applications will be subject to both a technical evaluation and a Program Office evaluation. The final funding decision is made by the National Taxpayer Advocate, unless recused. The costs of preparing and submitting an application (or a request for continued funding) are the responsibility of each applicant. Applications and requests for continued funding may be released in response to Freedom of Information Act requests. Therefore, applicants must not include any individual taxpayer information. Each application and request for continued funding will be given due consideration and the LITC Program Office will notify each applicant once funding decisions have been made.

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